

11.06 hrs.

## ORAL ANSWERS TO QUESTIONS

[English]

## Setting up of Central Energy Conservation Authority

\*321. SHRI CHITTA BASU :  
SHRI SATYA DEO SINGH :

Will the Minister of POWER be pleased to state :

(a) whether the Government propose to set up Central Energy Conservation Authority;

(b) if so, the details thereof and main functions of the Authority;

(c) whether the Authority is likely to be empowered to impose penalty on corporates as well as consumers for non-compliance of the conservative measures in power consumption;

(d) if so, the details thereof; and

(e) the extent to which the Authority will play a coordinating role between Centre and State Electricity Boards?

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI YOGINDER K. ALAGH):  
(a) to (e) A statement is laid on the Table of the House.

**Statement**

(a) and (b) With a view to laying down standards and norms for energy consumption for equipment and appliances consuming energy or in production and supply of energy; enforcing a scheme for energy labelling and mandating energy audits for designated consumers, the Central Government is considering proposing an enactment for energy conservation which would, *inter alia*, provide for an agency to perform such functions in coordination with various concerned Governmental and non-Governmental agencies.

(c) and (d) It is being contemplated to vest in the proposed Agency as well as State Governments and their designated agencies powers to impose penalties for non-compliance of the provisions with respect to manufacture and sale of sub-standard equipment and appliances.

(e) The proposed Agency is expected to coordinate the efforts of various concerned Central and State agencies and other institutions, both Governmental and non-Governmental in promoting energy efficiency. The State Governments and their designated agencies would be primarily entrusted with the responsibility of enforcing the various provisions of the proposed legislation.

SHRI CHITTA BASU : The reply makes it clear that the Government proposes to have another Authority. In this respect, I have no objection having another Authority to discharge the responsibility for other areas.

But may I know from the Government firstly whether the contemplated Authority would have the power to determine the power tariff? Secondly, it is regarding the feasibility or otherwise of the foreign investment in power sector. Thirdly, it is regarding the terms and conditions related therewith with particular reference to power purchase agreements on fuel use. And lastly it is with regard to the implementation of projects funded by foreign agencies.

MR. SPEAKER : Too many 'ands' !

SHRI YOGINDER K. ALAGH : The Energy Conservation Authority will concentrate on energy conservation and not on any of the other issues that the hon. Member is talking about.

SHRI CHITTA BASU : As we all know, there is a Central Electricity Authority set up by a Statute of this House. What is the necessity otherwise to have another parallel Authority while an Authority as per the Statute exists today? I would also like to know whether there will be duplication of functions or not.

SHRI YOGINDER K. ALAGH : The Central Electricity Authority has many very important functions to perform and the Government looks forward to their advice and also the performance of their statutory duties. However, on energy conservation starting with the Report of the Advisory Board of Energy to the Prime Minister in the late Eighties, there has been consistent feeling by most experts that the country does need to put in more effort on energy conservation. The whole question of labelling of energy standards, for example, or the whole question of energy audits are there. Therefore, it is considered important that we have a separate mechanism for an Energy Conservation Policy which (a) is able to coordinate with the Chambers of Commerce and Industry, with consumer groups, and with farmer groups; and (b) is also able to get energy audits and energy standards developed, set-up, and implemented.

I would request the hon. Member to please look at this proposal which has gone through considerable discussion. I do not think that it will, in any way, impinge on the main functions of the Central Electricity Authority, which will continue.  
(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE : C.E.A is relevant for electricity generation while Central Energy Conservation Authority is to regulate consumption. This is the distinction.

SHRI SONTOSH MOHAN DEV : Why is he prompting?  
(Interruptions) You are not supposed to prompt a Minister.

SHRI YOGINDER K. ALAGH : The Energy Conservation Authority will not get into ....(Interruptions)

MR. SPEAKER : You do not have to answer that question. I have not permitted him to ask this question.

SHRI YOGINDER K. ALAGH : Yes, Sir, I am in your hands.

[Translation]

SHRI SATYA DEO SINGH : Mr. Speaker, Sir, there is great need of energy for the development of country. Today, the concern of the country is that we are not nationally utilising the energy which we are generating. Perhaps, that is why you have decided to set up an agency for energy conservation. According to section 59 of Electricity Act, State Electricity councils have been instructed to earn atleast 3% profit every year. Till now all state electricity councils have not earned 3% profit and the state governments also do not follow this. Till now, the Central Government has not made any arrangement or made an enquiry to implement this law. The arrangements which you are going to make for energy conservation you have mentioned about equipment. There is no proper system of distribution of every energy which you are generating and transmission losses have also increased. Pilferage is reported in distribution and for that pilferage consumers as well as your department are responsible.

I would like to know from the Hon'ble Minister through you whether there are any guideline regarding the Authority which you are going to set up. Have you taken into confidence the state governments before setting this Authority and before making rules and laws, because ultimately the entire responsibility of implementing this authority will be of the state Government.

SHRI YOGINDER K. ALAGH : I would like to tell the hon'ble Member that discussion are going on for the past 6-7 years on this proposed legislation and in this regard state governments were consulted eloboutely. Except one or two state governments most of them have welcomed this Act because firstly energy appliances will be standardised, audit will be conducted for energy intensive industries and standards will also be set for the energy equipments for generation or transmission of power. As I have said we will make full efforts for having Central legislation and I believe that when state governments set up such authority they will make provision for including the representative of the farmers as the pump sets equipments, diesel efficiency are the areas of concern and there are such tube lights and lamps which can give as much light while consuming less energy. We will make efforts that the Housewives also give their advice to this energy authority..... (Interruptions)

[English]

MR. SPEAKER : Please, Mr. Minister, you cannot go on explaining that please be precise. We have very limited time.

[Translation]

SHRI YOGINDER K. ALAGH : The hon'ble Member is interested that the energy conservation programme should be chalked out with State Governments only and to some extent State Governments themselves will implement these penalties.

[English]

SHRI PRADIP BHATTACHARYA : Sir, I would like to know from the hon. Minister what is the reaction of the State Governments with regard to taking the decision to set up such Commission.

SHRI YOGINDER K. ALAGH : As I have explained, Sir, almost all State Governments have welcomed it.

AN HON. MEMBER : What is 'almost'!

SHRI YOGINDER K. ALAGH : I think one or two States have expressed their reservation.

SHRI PRADIP BHATTACHARYA : Which are those States?

SHRI YOGINDER K. ALAGH : Jammu and Kashmir, I think, is one such State. They have also said that they are not opposed to it. But otherwise the State Governments have welcomed this legislation.

DR. RAM CHANDRA DOME : Mr. Speaker, Sir we are discussing an important issue, that is, conservation of energy. Conservation of energy is the nature's law. There is a law that dissipation of energy is there. Therefore, my pointed question is whether the government has made any sort of study to know (a) the rate of dissipation of energy and (b) the primary reasons for dissipation of energy in our country.

SHRI YOGINDER K. ALAGH : Sir, I assure the hon. Member that the Government will work within the laws of physics. But the concern here is very specific, that is, on the places of equipment and so on.

SHRI JAGMOHAN : Sir, the point is the implementation of the laws that you make. There is a section 59 of the electricity Supply Act of 1948 which makes it obligatory on the part of the State Electricity Boards to earn three per cent rate of return. If this law is being violated by every States Electricity Board and if it is being violated by the State Governments, where in the guarantee that the new Authority will be able to enforce these regulations?

SHRI YOGINDER K. ALAGH : Sir, the new Authority will do not of the its work through coordination and through publicity campaigns. For example, there are countries in the world where when energy conservation project is there, it is discussed with the Chief Minister or the Governor of that State. These kinds of things are expected to have an impact. The enforcement part will be very specific and will be limited to abuse of equipment or labelling or standards, and we hope that it will be enforced.

[Translation]

#### Decentral of Supply and Price of Fuel

\*322. DR. RAMKRISHNA KUSMARIA : Will the Minister of POWER be pleased to state :

(a) whether the Government propose to decentral the supply and the price of fuel for the private power producers;